

Assembly Bill No. 668

CHAPTER 607

An act to add Article 4.5 (commencing with Section 76070) to Chapter 1 of Part 47 of Division 7 of Title 3 of the Education Code, relating to student financial aid.

[Approved by Governor October 13, 2007. Filed with
Secretary of State October 13, 2007.]

LEGISLATIVE COUNSEL'S DIGEST

AB 668, Portantino. Student financial aid: California Community College Student Federal and State Financial Aid Opportunity Act.

Existing law establishes the California Community Colleges, under the administration of the Board of Governors of the California Community Colleges, as one of the segments of public postsecondary education in this state. Existing law establishes community college districts throughout the state, and authorizes these districts to provide instruction to students at community college campuses.

This bill would enact the California Community College Student Federal and State Financial Aid Opportunity Act. The bill would express various findings and declarations of the Legislature relating to the use of the federal Pell Grant program by students of the California Community Colleges, and would express the intent of the Legislature to increase the number of students of the California Community Colleges receiving awards from the federal Pell Grant program.

The bill would require the Chancellor's Office of the California Community Colleges to take various actions to inform community college students of opportunities to participate in the federal Pell Grant program.

The people of the State of California do enact as follows:

SECTION 1. Article 4.5 (commencing with Section 76070) is added to Chapter 1 of Part 47 of Division 7 of Title 3 of the Education Code, to read:

Article 4.5. California Community College Student Federal and State Financial Aid Opportunity Act

76070. (a) The Legislature finds and declares all of the following:

(1) Students of the California Community Colleges (CCC) receive federal Pell Grants at a rate significantly below the national community college average, and yet there is no indication that CCC students are less needy.

(2) California taxpayers pay into the federal Pell Grant program through federal taxes, but California students do not receive the benefits of the federal Pell Grant program at equal levels.

(3) California Community Colleges students receive federal Pell Grant funds at a rate significantly below undergraduate students at the University of California and the California State University, and again, there is no indication that CCC students are less needy.

(4) California maintains a low fee for CCC students, significantly lower than for University of California and California State University students and lower than the fee for other community college students in the nation, but this does not mean these students need fewer funds from the federal Pell Grant program. Federal Pell Grant funds do not pay community college fees; instead, federal Pell Grant funds are directed toward the remaining costs of attendance, called “indirect expenses” such as books, supplies, and room and board, which are just as high, and sometimes higher, for CCC students as for those other students in the nation and in other California colleges.

(5) Textbook prices are soaring, many CCC students live in high-cost urban areas, many CCC students support children, and financially needy CCC students struggle to make ends meet. A low participation rate in the largest federal grant program in California’s largest system of postsecondary education is unacceptable.

(6) The University of California (UC) and the California State University (CSU) conduct annual one-day conferences to educate California high school counselors about the policies, procedures, and services available in their respective systems. The California Community Colleges have not been funded to conduct similar statewide conferences, and must rely on local relationships that do not give all high schools access to consistent information. It is critical for student success in the community colleges that high school counselors are full partners in outreach and preparation, particularly as California is poised to hire and train many new counselors. This training will help counselors understand that all students need encouragement, information, and support services to pursue postsecondary education, not just those who are the most successful and traditionally viewed as headed to four-year colleges and universities.

(7) California Community Colleges financial aid programs received a major infusion of administrative allowances in the Budget Act of 2003 (Chapter 157 of the Statutes of 2003), which has resulted in substantial progress in assisting more students to receive federal Pell Grants; however, the average financial aid administrative support per student in the CCC segment, as compared to support for undergraduates in the UC and CSU systems is still significantly lower, while the administrative function is no less demanding, and in some aspects, more demanding, than the challenges faced by financial aid administrators in the UC and CSU systems.

(8) Some CCC students fail to receive federal Pell Grants because they do not enroll directly from high school or drop out after beginning attendance, or take very few units and work to support themselves and often

to help their families. The income from these jobs, which cannot be sustained if a student desires to be a full-time student, causes students to become ineligible for federal Pell Grants. The colleges have the discretion, under federal law, to work with individuals to document the changes in their circumstances and justify eligibility, but to do so is labor-intensive and, thus, not a service that can be widely provided.

(9) Some CCC students are not able to secure financial information from their parents, or are reluctant to approach parents who live in poverty, and give up when they discover the financial aid application process involves their parents. The counseling and assistance necessary to make these highly needy students eligible is also labor-intensive and is, thus, difficult to provide without sufficient professional staff.

(10) Some students fail to qualify for federal Pell Grants because they have not yet declared an “eligible program” as their objective, and scarce counseling resources in the community colleges exacerbate this problem.

(11) Efforts to improve participation in federal student aid will also have a beneficial effect on participation in the Cal Grant Program, which currently provides only 10 percent of the financial aid funding in the community colleges. While there are participation barriers in the Cal Grant Program, such as early deadlines and limited funds for older students, that cannot be addressed by increased support services, some students will be reached who might not otherwise qualify for the Cal Grant Program.

(12) Efforts to improve participation in federal student aid will additionally have a beneficial effect on participation in the Board of Governors Enrollment Fee Waiver Program, which is critical to community college access.

(13) The CCC Chancellor’s Office maintains a financial aid unit, but it does not have the staffing capacity to undertake a wide range of systemwide initiatives and support. These initiatives could leverage millions of dollars in federal student assistance.

(b) It is the intent of the Legislature to support an array of initiatives to increase the number of CCC students receiving awards from the federal Pell Grant program, thereby helping to improve access to college for low-income students, helping improve their chances of success by having improved financial means to pay for escalating college costs, and the ability to devote more time to their education, improving the participation rate in other federal and state student aid programs, and helping Californians receive their fair share of the federal taxes paid to support federal financial aid programs.

76071. (a) The CCC Chancellor’s Office shall develop a statement that individual students will be asked to sign, which acknowledges that federal and state funds are available to assist with the costs of college and that information regarding these programs, and assistance in applying for those funds can be obtained at the financial aid office. The chancellor shall request the colleges to require students to sign this acknowledgment in the application for enrollment at all campuses of the California Community Colleges in the next regular local cycle in which those forms are printed and the next regular cycle in which electronic applications are updated.

(b) The CCC Chancellor's Office shall develop a statement to individual students receiving the Board of Governors Enrollment Fee Waiver, who did not apply for federal student aid, informing them about the benefits of the federal programs, the application process, and the availability of assistance to apply. The chancellor shall request colleges to provide this statement to all students who meet this description.